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and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.  
: :  
**LEHMAN BROTHERS HOLDINGS INC., et al.** : 08-13555 (JMP)  
: :  
Debtors. : (Jointly Administered)  
: :  
: :  
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**NOTICE OF FIFTEENTH SUPPLEMENTAL DECLARATION  
OF ALVAREZ & MARSAL NORTH AMERICA, LLC IN  
CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

**PLEASE TAKE NOTICE** that, on February 17, 2012, Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors”) filed the attached Fifteenth Supplemental Declaration of Alvarez & Marsal North America, LLC in compliance with the Order Approving Application Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code

for Authorization to Employ and Retain Alvarez & Marsal North America, LLC.

Dated: February 17, 2012  
New York, New York

/s/ Richard P. Krasnow  
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Debtors. : (Jointly Administered)  
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**FIFTEENTH SUPPLEMENTAL DECLARATION OF ALVAREZ & MARSAL NORTH  
AMERICA, LLC IN CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

John Suckow makes this declaration under 28 U.S.C. § 1746, and states:

1. I am a Managing Director with Alvarez & Marsal North America, LLC (together with its wholly owned subsidiaries, affiliates (which are owned by Alvarez & Marsal North America, LLC's parent company, Alvarez & Marsal Holdings, LLC ("A&M Holdings") and employees), agents, independent contractors, and employees, "A&M"), a professional services firm with numerous offices throughout the world. Unless otherwise stated herein, I have personal knowledge of the facts set forth herein or have been informed of such matters by professionals of A&M. To the extent any information disclosed herein requires amendment or modification upon A&M's completion of further review or as additional party in interest information becomes available to it, a further supplemental declaration reflecting such amended or modified information will be submitted to the Court.

2. A&M has previously submitted declarations dated October 8, 2008 [ECF No. 760]; November 4, 2008 [ECF No. 1366]; November 17, 2008 [ECF No. 1559]; February 6, 2009 [ECF No. 2754]; May 19, 2009 [ECF No. 3606]; September 16, 2009 [ECF No. 5196]; November 4, 2009 [ECF No. 5706]; November 25, 2009 [ECF No. 5947]; February 19, 2010 [ECF No. 7173]; June 18, 2010 [ECF No. 9671]; September 8, 2010 [ECF No. 11210];

November 19, 2010 [ECF No. 12945]; March 21, 2011 [ECF No. 15215]; June 29, 2011 [ECF No. 18156]; and October 18, 2011 [ECF No. 20959] (collectively the “Prior Declarations”) in support of the October 8, 2008 application (the “Application”) of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above referenced chapter 11 cases, as debtors in possession (together the “Debtors” and collectively with their non-debtor affiliates “Lehman”), pursuant to sections 105(a) and 363(b) of chapter 11 of the United States Code (the “Bankruptcy Code”) for Authorization to Employ and Retain Alvarez & Marsal North America, LLC to Provide the Debtors With a Chief Restructuring Officer and Additional Personnel, and to Appoint the Chief Restructuring Officer *Nunc Pro Tunc* to September 15, 2008. [ECF No. 760].

3. On December 17, 2008, the United States Bankruptcy Court for the Southern District of New York entered an order approving the Application and the Debtors’ employment and retention of A&M. [ECF No. 2278].

4. I am submitting this Fifteenth Supplemental Declaration to publicly disclose certain additional information that has become available to A&M since the filing of the Prior Declarations.

#### **Additional Parties In Interest**

5. As set forth in the Prior Declarations, and in connection with its proposed retention by the Debtors in these cases, A&M has undertaken an ongoing analysis to determine whether it has any conflicts or other relationships that might cause it not to be disinterested or to hold or represent interests adverse to the Debtors.

6. Specifically, A&M becomes aware, from time to time, of relationships it has with parties-in-interest in the Debtors’ cases (“Parties-In-Interest”). In addition to the matters

disclosed in Prior Declarations, since the filing of the last declaration it has come to our attention that

a. A&M or its affiliates provide consulting services to the Parties in Interest listed below (or their affiliates) with respect to matters unrelated to the Debtors or their Chapter 11 cases. These Parties in Interest or their affiliates have outstanding claims against the Debtors and/or hold or manage interests in the Debtors' bonds:

- ExxonMobil
- Knighthead Capital Management, LLC
- Redwood Capital Management, LLC

b. A&M or its affiliates provide consulting services to the Parties in Interest listed below (or their affiliates) with respect to matters unrelated to the Debtors or their Chapter 11 cases. The Debtors hold and/or have held certain positions in the debt structure of these Parties in Interest or their affiliates:

- Siemens AG
- Hertz Corporation

c. A&M or its affiliates provide consulting services to an entity in which Kinder Morgan Energy Partners L.P. ("Kinder Morgan") holds or manages a significant equity stake. Kinder Morgan has been described to A&M as a potential party in interest in the Debtors' Chapter 11 cases.

**Alvarez & Marsal Capital, LLC**

7. As disclosed in a Prior Declaration, Alvarez & Marsal, Inc. ("A&M Inc."), the majority owner of A&M's parent company, Alvarez & Marsal Holdings, LLC ("A&M Holdings"), holds a significant interest in Alvarez & Marsal Capital, LLC ("A&M Capital").

A&M Capital is an investment vehicle which will indirectly serve as the general partner of a partnership (the “A&M Capital Fund”) that will make private equity investments in underperforming companies. A&M Capital is currently raising capital from various institutional investors for the A&M Capital Fund and it also expecting to close a specific acquisition which it is offering certain prospective fund investors the ability to co-invest in.

8. It is expected that a co-investment fund managed by Neuberger Berman Group L.L.C. (“NB”) or its affiliate will have an opportunity to invest with the A&M Capital Fund and certain other institutional investors in a specific acquisition currently being contemplated by the A&M Capital Fund. In addition, the management of the A&M Capital Fund is in discussions with certain fund managers of NB’s managed funds of funds (the “NB Fund Managers”) regarding the potential for a minority limited partnership investment into the A&M Capital Fund. In both cases, the NB funds are being offered the ability to participate on terms equal to other institutional investors considering the investments. It is also noted that while the Debtors hold limited partnership interests in certain of NB’s managed funds, none of the funds which the Debtors hold an interest in will be involved in the transactions described above.

9. It is anticipated that the decision whether to invest in the A&M Capital Fund and/or the transaction described above will be made by the NB Fund Managers. The NB board is not expected to have any input with respect to the allocation of funds in question here, and if they do, A&M personnel will recuse themselves from any such matters. However, we note that LBHI currently holds a 48% equity interest in and occupies 2 of 7 board seats of NB. These two board seats are currently filled by A&M employees on behalf of LBHI. Please note that until January 10, 2012, one of the board seats was filled by one of the Managing Directors of A&M Capital.

10. A&M does not believe that any of the additional disclosures described above create conflicts of interest regarding the Debtors or their chapter 11 cases. A&M continues to believe that it is “disinterested” within the meaning of the term as it is used in section 101(14) of title 11 of the United States Code.

I declare under penalty of perjury that, to the best of my knowledge, and after reasonable inquiry, the foregoing is true and correct.

Dated: February 17, 2012  
New York, New York

/s/ John Suckow  
John Suckow, Managing Director